



City of Lorena
107-A S. Frontage Road
Lorena, Texas 76655
(254) 857-4641 Fax (254) 857-4118

OFFICIAL MINUTES

**NOTICE OF PUBLIC MEETING
LORENA CITY COUNCIL
MONDAY, OCTOBER 17, 2016 6:30 P.M.
LORENA CITY HALL
107-A S. FRONTAGE ROAD, LORENA, TEXAS**

1. Call to Order.

- a. **Pledge of Allegiance**
- b. **Texas Pledge**
- c. **Moment of silence**

Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

Mayor Protem Bill Coleman called the meeting to order at 6:31 p.m. gave the open meeting statement and announced that a quorum of the council was present. Council members present were Bill Coleman, J. Fagner, Jennifer Grimm, Jeff Linnstaedter and Kelly Yarbrough arrived at 6:34 p.m. Mayor Chuck Roper was absent.

City Staff present were Tom Dickson, Monica Hendrix, Matt Huffhines, Linda Klump and Joseph Pace.

2. Visitor and Citizens Forum

At this time any person with business before the Council not scheduled on the agenda may speak to the Council. Comments are limited to three (3) minutes, and this time is not transferable. No formal action may be taken on any of these items at the meeting. This forum is limited to a total of 30 minutes.

Gary Cox at 102 Walter Street in Lorena spoke. Cox is still concerned about the intersection of East Center Street and Frontage Road and feels the city should get with TxDOT and review the specs before Lane Construction is completely done with the expansion project. Cox brought photos and documentation concerning Sutton Place Street and stated that at one time the street was paved but over the years, the city has maintained the road with gravel. Cox is also concerned with the ordinances that he interprets to read that citizens must bring driveways to current standards of 5 inches of reinforced concrete and says the city doesn't repair the streets this way. Cox says there is a double-standard and would like to see the ordinance amended so that homeowners in the Old Town can have gravel. (For the record, homeowners can repair gravel with gravel, they just CANNOT make the current driveway larger. Ex: if there is an existing single driveway, it must remain single.)

3. Approval of Minutes:

- a. **September 19, 2016**

A motion was made by J. Fagner and seconded by Jennifer Grimm to approve the minutes as submitted. All in favor, motion carried.

4. Discussion and possible action on the 2016 amended Investment Policy.

Linda Klump explained this investment policy was reviewed by our investment officer Jason Hughes and his partner Scott McIntyre. McIntyre says "The Lorena policy is better than the vast majority we see." There are only two things that he suggested be changed:

The first is training hours – the PFIA now requires 10 hours only in year one. After that, investment officers need 8 hours every two years.

The second has to do with acceptable collateral – Banks are increasingly using FHLB Letters of credit to secure deposits because collateral has become so expensive. At times, banks that are not permitted to secure deposits in this manner will opt to not hold deposits at all. We recommend that the City add FHLB LOCs to its list of permitted collateral. Those changes have been made and this policy is required to be presented to the council annually.

Jennifer Grimm motioned to accept the amended 2016 Investment Policy. J. Fagner seconded the motion. All in favor, motion carried.

5. Discussion and possible action on the 2016-2017 Fiscal Year Lorena Economic Development Corporation Budget.

EDC Consultant Jason Mundo presented the 2016-2017 budget to the council. The total proposed EDC budget is \$412,092.31 compared to \$360,000.00 for FY 2015-2016. Mundo also presented the Annual EDC report and Strategic Plan during this time. See Attached reports.

J. Fagner motioned to accept the 2016-2017 Lorena Economic Development Corporation Budget. Jennifer Grimm seconded the motion. All in favor, motion carried.

6. Discussion of the Lorena EDC Annual Report and the Lorena EDC Strategic Plan for FY 2016-2017.

Presented in previous item.

7. Discussion and possible action on the 2016-2017 TIRZ #1 East Budget.

Jason Mundo presented the Lorena TIRZ #1 East Budget. See attached. With the issuance of Certificates of obligation issuance and contributions from major land owners, the total revenues and funds available will be \$2,641,300.00 for the project. The expected expenditures for FY 2016-2017 are \$697,116.84. A motion was made by Kelly Yarbrough and seconded by J. Fagner to accept the TIRZ #1 East Budget for FY 2016-2017. All in favor motion carried.

8. Discussion on amending the Solid Waste Collection Ordinance.

Staff is looking for direction on whether to amend the ordinance due to complaints of residents not putting garbage carts away in a timely manner or leaving them at the curb. The current ordinance does not address this. Jennifer Grimm questioned how big a problem this is. Kevin Neal says probably three. Grimm questioned who would enforce this. After discussion the council feels it is best to leave the ordinance alone at this time. Council did suggest to contact citizens to ask them to put the cart up and possibly address this at a later date if need be.

9. Discussion and possible action on approving the City to offer Whole Life Insurance Policy to City employees.

Pace informed council this is something that the employees would pay for and not the city. The only cost to the city would be the administrative end for the time spent for payroll deductions. Pace will confirm numbers and bring back to council.

10. Discussion and possible action on adopting the 2016 Lorena Police Department General Directives.

Chief Tom Dickson explained this is a policy manual that covers how to run a police department that is recommended by the Texas Police Association. Dr. Peevey has been reviewing this policy for two years to make sure certain areas apply to Lorena Police Department compared to Houston Police Department. Dickson says that Lorena Police Department has also trained on this manual for 1 ½ years. City Attorney Barney Knight has reviewed as well. J. Fagner motioned to adopt the policy manual. Kelly Yarbrough seconded the motion. All in favor motion carried.

11. Police Department Activity Report.

Chief Dickson presented September 2016 activity report to council. There were 329 total calls. There were 316 citations issued in September compared to 330 in September 2015. Dickson also reminded

council of Halloween and the closing of entrances for South Meadows Subdivision for safety. The 3rd Annual Fall a patrol car food drive will be held at this time. Dickson also informed council that examination and selection of a Sergeant will be held at the end of the month. This was posted as internal and three candidates will be interviewed. City of Bellmead Police Chief Alvarado will be conducting the test and interviews along with other Sergeants from area police departments in order for Dickson to remain neutral during the selection.

12. Public Works Report.

a. Chloramine update

Kevin Neal reported that everything is moving along as scheduled. Specialty items have not arrived yet and the Matous Construction will not be on site until all items have arrived.

b. Street Department concerns

Neal reported he has received complaints about basketball goals being in the streets and will address the issue by contacting the property owners.

13. City Manager Report.

a. TIRZ MEETING Update

Discussed earlier.

b. EDC Meeting Update

Discussed earlier.

c. Redesigning the website update

As previously discussed this will make the website mobile friendly.

d. Attendance at the TML Regional Meeting: September 29, 2016

e. TML Loss Prevention Meeting: October 11, 2016

f. Conference call with Bond Council: October 13, 2016

g. Conference Call for Bond Rating: October 19, 2016

h. Grand Opening of Waco Animal Shelter: October 20, 2016

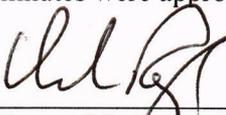
This will take place at 10:30 a.m.

i. MPO Meeting: November 3, 2016

14. Adjourn.

Due to no further business the meeting adjourned at 8:05 p.m.

These minutes were approved this 14th day of November 2016.



Chuck Roper, Mayor

Attest:



Monica Hendrix, City Secretary

Lorena EDC Budget 2016-2017		2015-2016	2015-2016	2016-2017				
		Budget	Actual	Budget				
REVENUE		approved	Rev. & Expend.	Proposed				
	Beginning Fund Balance	\$ 360,000.00	\$ 358,573.91	\$ 414,223.69				
313-000	Sales Taxes	\$ 100,000.00	\$ 107,271.68	\$ 107,000.00				
	TPWD Small Communities Parks Grant	\$ 75,000.00	\$ -	\$ -				
316-000	Interest	\$ 300.00	\$ 579.49	\$ 300.00				
	Total Revenues & Available Funds	\$535,300	\$ 466,425.08	\$ 521,523.69				
OPERATING EXPENDITURES								
465-313	Professional Fees- Bank Charges	\$ 36.00	\$ 36.00	\$ 36.00				
465-320	Professional Fees-Training	\$ 1,000.00	\$ -	\$ 1,000.00				
465-330	Professional Fees-Auditing/Accdtg	\$ 3,000.00	\$ -	\$ 6,371.00				
465-332	Professional Fees - Legal Services	\$ 3,000.00	\$ 540.00	\$ 3,000.00				
465-338	Professional Fees - Consulting Services	\$ 36,000.00	\$ 36,000.00	\$ 36,000.00				
465-439	Property Services	\$ -	\$ -	\$ -				
465-532	Services - Website	\$ 1,500.00	\$ -	\$ 4,000.00				
465-540	Services - Advertising (no more than 10% of budget by law)	\$ 10,000.00	\$ 9,089.00	\$ 10,700.00				
	Services-Information Technology	\$ -	\$ -	\$ -				
465-610	Supplies - Office	\$ 100.00	\$ -	\$ 100.00				
465-635	Supplies - Food (AEDC lunch or other events)	\$ 500.00	\$ 75.00	\$ 500.00				
465-609	Supplies-Street Map developmt & print	\$ 1,500.00	\$ -	\$ 1,500.00				
	Supplies - Marketing Brochures	\$ -	\$ -	\$ 1,500.00				
	LEDC Trade Show Booth	\$ -	\$ -	\$ 2,000.00				
	LEDC Trade Show Registration Expenses	\$ 3,000.00	\$ 2,171.01	\$ 3,000.00				
465-611	Supplies-Postage	\$ 50.00	\$ -	\$ 50.00				
	Other Expenditures-Contingency Funds	\$ 5,000.00	\$ 2,673.88	\$ 5,000.00				Park Trail Dedication Sign in Spring 2016
	Total Operating Expenditures	\$ 64,686	\$ 50,585	\$ 74,757				
CAPITAL EXPENDITURES								
	Business Improvements Grant	\$ 10,000.00	\$ -	\$ 10,700.00				
	Business Rent Subsidy Grant	\$ 10,000.00	\$ -	\$ 10,700.00				
465-805	EDC Projects	\$ 80,000.00	\$ -	\$ -				
	Billboard improvements - new vinyl	\$ 2,475.00	\$ 1,616.50	\$ -				
	midblock handrails at Center Street			\$ 15,000.00				
	Lorena TIRZ #1 East Financing Development Agreement			\$ 28,000.00				
	Update Lorena Park and Open Space Master Plan			\$ 18,000.00				needed pre-requisite to TPWD Parks Grant
	McBrayer Park Splash Park			\$ 225,000.00				spread over 3 years with \$75,000 matching grant
	Plan Gateway Monument Signs at entrances to City and Feature Locations			\$ -				
	Approach Residential Developers			\$ -				
	Attract a convenience store / travel store			\$ -				
	Attract a retail center for Subway, McDonalds, etc.			\$ -				
	Plan for Walking Trails to Schools			\$ -				
465-899	Total Capital Expenditures	\$ 102,475.00	\$ 1,616.50	\$ 307,400.00				
	Total Expenditures	\$ 167,161.00	\$ 52,201.39	\$ 382,157.00				
	End of Fiscal Year Fund Balance	\$ 368,139.00	\$ 414,223.69	\$ 139,366.69				

Lorena TIRZ #1 East Budget**FY2016-2017****Budget****Proposed****Revenue**

Beginning Fund Balance	\$ -
Certificates of Obligation (Nov 2016)	\$ 2,300,000.00
Braswell Contribution (\$30K on 10/1, \$45K on 11/1, \$25K on 12/1, \$17,650 on 1/2)	\$ 117,650.00
McElla Contribution (\$30K on 10/1, \$45K on 11/1, \$25K on 12/1, \$17,650 on 1/2)	\$ 117,650.00
Tully/Mitchell Contribution (2/1/17)	\$ 50,000.00
EDC Contribution (\$13,000 on 2/1/17, \$15,000 on 8/1/17)	\$ 28,000.00
City Contribution (\$13,000 on 2/1/17, \$15,000 on 8/1/17)	\$ 28,000.00
Total Revenues & Available Funds	\$ 2,641,300.00

Expenditures

Interest Payment on Certificates of Obligation (2/15/17)	\$ 27,964.44
Interest Payment on Certificates of Obligation (8/15/17)	\$ 48,400.00
TIRZ Administration (FY 2014-2015)	\$ 8,400.00
TIRZ Administration (FY 2015-2016)	\$ 50,400.00
TIRZ Administration (FY 2016-2017)	\$ 50,400.00
Legal Fees (July 2016 - September 2016)	\$ 15,247.40
Legal Fees (FY 2016-2017) (estimated)	\$ 10,000.00
Engineering Final Design Sanitary Sewer Line	\$ 305,805.00
Program Management Engineering Final Design	\$ 30,500.00
Construction and Program Management (estimated total Aug '17 and Sept '17)	\$ 150,000.00
Total Projected Expenditures	\$ 697,116.84

Ending Fund Balance Sept 30, 2017**\$ 1,944,183.16**



ANNUAL REPORT, 2015-2016 ACTIVITIES

The Lorena Economic Development Corporation:

Lorena was awarded the TEDC 2015 Community Economic Development Award in October of 2015 for its Lorena TIRZ #1 East Project.



The EDC renewed the economic development consultant contract of Mundo and Associates, Inc. in October 2015.

MUNDO & ASSOCIATES, INC.

Economic Development, Planning and Civil Engineering

mundoandassociates.com

Continued to negotiate and recruit the Downtown Lorena Business prospect in the Fall months of 2015.

Continued to update the Board monthly on statewide commercial development prospects.

Marketed the former middle school property and TIRZ #1 East properties to Corner Store, CVS, Tiger Mart, McDonalds, Subway, 7-Eleven and more in 2015-2016.

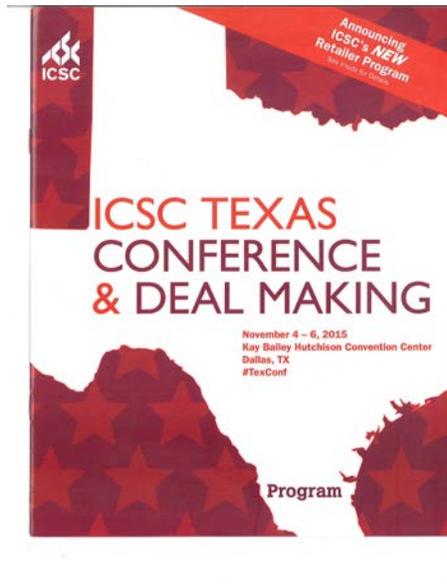


CST
cstbrands.com

Site Criteria

- Signalized intersection
- Multiple access points
- 70,000+ SF
- Located in strong growth area
- Building size 3,600 - 7,700 SF
- Traffic count – 20,000+ CPD
- Unrestricted ability to sell beer, wine and motor fuels
- Superior visibility and signage/ trademark accommodations

Exhibited Lorena's developable commercial properties to national and regional retailers at ICSC Texas Conference and Deal Making Trade show, November 4-6, 2015 at the Dallas Convention Center.



Procured the manufacture and installation of a McBrayer Park Trail Dedication Sign to honor General McBrayer, son of Lorena in October 2015.



Renewed the IH-35 Billboard agreement for FY2015-2016 to advertise Lorena's businesses to 75,000 vehicles per day. And also procured the design, manufacture, and installation of new 14 ft. x 48 ft. vinyl for the billboard in October 2015.



Approved the EDC Budget for FY2015-2016 in October 2015.

Prepared and filed the annual 2015 Heart of Texas Regional Economic Development Inventory report with the Heart of Texas Council of Government in January of 2016.

Prepared and filed the annual 2015 Economic Development Corporation Report with the State of Texas Comptroller Office in January of 2016.

Prepared and filed a required Eminent Domain Report with the State of Texas Comptroller office in January of 2016.

Coordinated with Rosenthal Road land owner and developer in Spring and Summer of 2016 on their request to develop and change the zoning on a 6 acre site for a proposed \$30 Million dollar mixed use development with car travel center, retail, offices, and high quality multi-family located above the retail and guide them through the legal process of the City of Lorena.

Facilitated Rosenthal Rd. neighborhood meeting in late June 2016 to hear neighborhood opinions and concerns regarding proposed \$30 Million dollar mixed use development with car travel center, retail, offices, and high end multi-family located above the retail.

Coordinated with the manufacturer on repainting of McBrayer Park Basketball Court in 2015-2016.



Recommended to City Council that Chad Hanson and Kyle Miller be appointed to the Lorena EDC Board in May of 2016. City Council officially appointed them in May of 2016.

Conducted a Strategic Planning Session in late June of 2016 to gain insight and feedback from community stakeholders for use in establishing goals and actions for the upcoming Fiscal Year 2016-2017.



Lorena Strategic Plan: FY2016-2017

Originating from Lorena EDC Strategic Planning Session

June 21, 2016, Lorena City Hall

Participants:

David Anderton (Chairman Lorena EDC, Lorena TIRZ #1 East)

Kyle Miller (Lorena EDC)

Chad Hanson (Lorena EDC)

Bill Coleman (Mayor Pro Tem, Chairman Lorena TIRZ #1 East)

Jeff Linnstaedter (Lorena City Council, Lorena ISD)

Dr. Joe Kucera (Lorena ISD)

Joseph Pace (Lorena City Manager)

Kevin Neal (Lorena Public Works Director)

Session Facilitated by:

MUNDO & ASSOCIATES, INC.

Economic Development, Planning and Civil Engineering
mundoandassociates.com

Awarded a Business Improvement Grant to Key Real Estate for exterior improvements to their business in downtown Lorena. Improvements will be completed in Fiscal Year 2016 - 2017

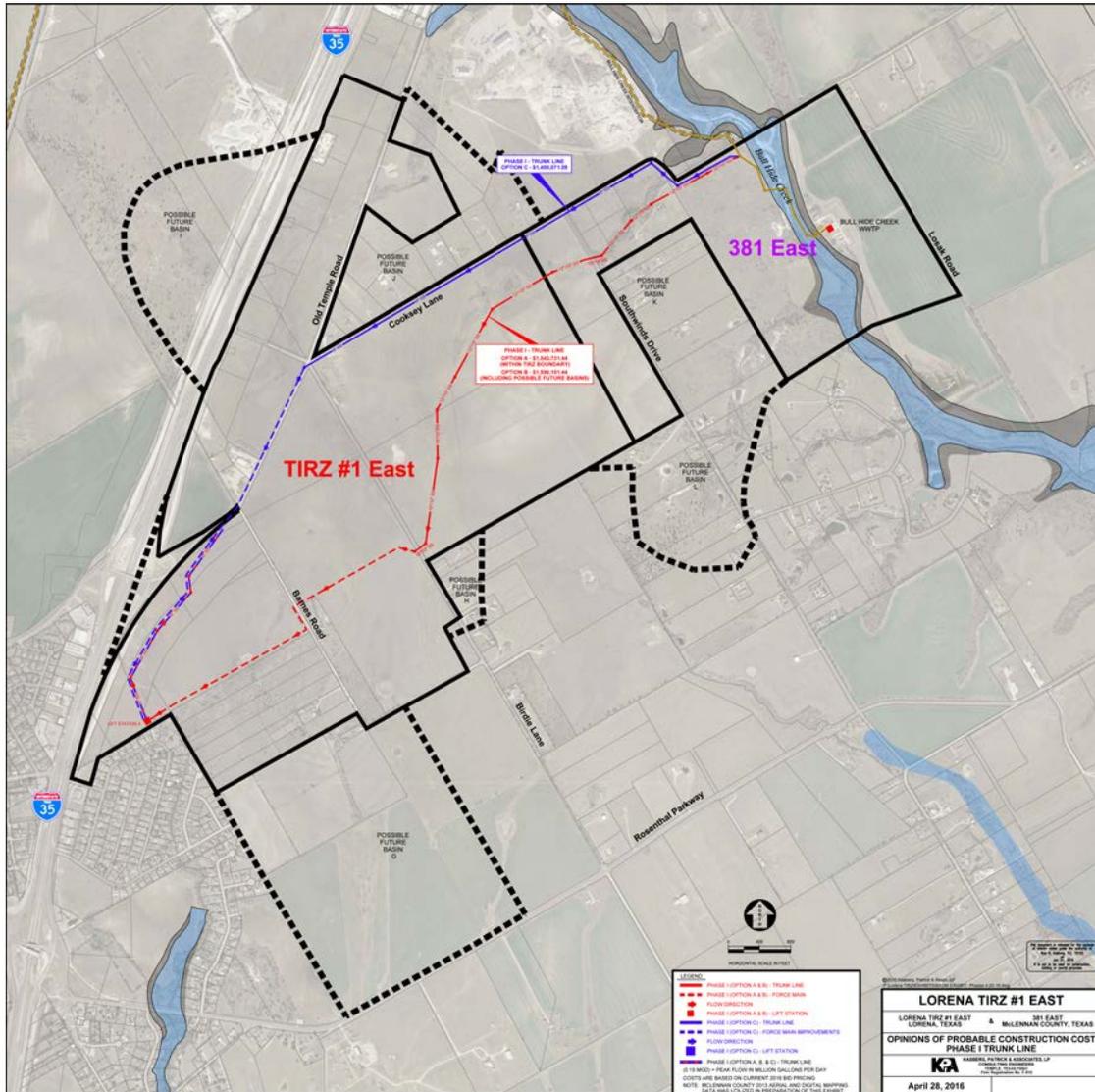


Continued regular updates to the Lorena website.

Marketed Lorena's developable commercial properties to commercial realtors at the NTCAR commercial realty expo at Dallas Market Hall, September 1, 2016.

And....

Committed to investing \$265,450 to for the purpose of paying a portion of the principal and interest payments on the debt issued by the City for the implementation of the Lorena TIRZ #1 East Sanitary Sewer Trunk Line Option B.





Lorena Strategic Plan: FY2016-2017

Originating from Lorena EDC Strategic Planning Session

June 21, 2016, Lorena City Hall

Participants:

David Anderton (Chairman Lorena EDC, Lorena TIRZ #1 East)

Kyle Miller (Lorena EDC)

Chad Hanson (Lorena EDC)

Bill Coleman (Mayor Pro Tem, Chairman Lorena TIRZ #1 East)

Jeff Linnstaedter (Lorena City Council, Lorena ISD)

Dr. Joe Kucera (Lorena ISD)

Joseph Pace (Lorena City Manager)

Kevin Neal (Lorena Public Works Director)

Session Facilitated by:

MUNDO & ASSOCIATES, INC.

Economic Development, Planning and Civil Engineering

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The session attendees first participated in a SWOT analysis to discuss the Strengths, Weaknesses, Opportunities, and Threats to Lorena.

The results of the SWOT analysis are listed below.

STRENGTHS

McBrayer Park

Lorena TIRZ #1 East

Waco

Historic Center Street

IH-35 (adjacent location and 80,000 vehicles per day)

No Land Use Mistakes

Quality Residents

Excellent Schools

Defined Ordinances

South Gateway (to Waco)

Family Leadership

Progressive – Open to Growth

Destination Community for Residence

Water / Sewer Capacity

Active Youth Sports Programs

Safe Community

Walkable Community

Extensive School District Area and Potential

Large Extensive Land Inventory

WEAKNESSES

Stagnant Tax Base

Limited Retail

Inability to Catch IH-35 Traffic

Visibility from IH-35

Lack of High Quality Housing Diversity

Perceived Toughness of Codes and Ordinances

Limited Job Opportunities

Young Family and Youth Opportunities

Utility Lines need Extended (sanitary sewer, water, etc.)

Not Being a Home Rule City

Limited Retail Space

Limited Residential Homes in \$175,000 - \$250,000 range

Few Starter Homes If Any

Surrounded by Waco

Perception that Lorena is Restrictive

OPPORTUNITIES

Plan for Retail

Highway Signage

Capture Traffic from IH-35

Growth (designate space to grow)

Seek Traditional Town Center Master Plan

Attract a Retail Anchor for Shopping Center

Attract Revenue Generating Retail

THREATS

Walmart in Hewitt (drain of existing tax base)
Competition from Housing Outside of City Limits
Water System Capacity
Willingness for Property Owners to Develop
Bruceville Eddy Development
Lack of Action
Entrance to City and ETJ lacks Identity/Feature
Identity

After a short break, the participants reflected upon the SWOT analysis and discussed community goals (long term) as well as actions that the EDC can initiate in fiscal year 2016 – 2017 to begin addressing those long term goals.

RECOMMENDED GOALS

Develop a Strong Sense of Place. Dedication to Progress.

RECOMMENDED ACTIONS

Approach Residential Developers
Plan Gateway Monument Signs at Entrances to City and Feature Locations
Attract a Convenience Store/Travel Store
Install Mid-Block Handrails in Downtown Center Street
Splash Pad at McBrayer Park (and update Park Plan)
Support the TIRZ, Fund the TIRZ Sanitary Sewer Line Project
Retail Center for Subway, McDonalds, and others
Plan for Walking Trails to Schools